

NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: December 31, 2007

ASSETS

CURRENT ASSETS

101 Cash (Disclose on Schedule A)	\$18,549,168
102 Current Investments	
103 Accounts Receivable (net) (Disclose on Schedule A)	\$2,434,339
104 Notes Receivable (current portion)	\$1,319,631
105 Prepaid Expenses	\$131,500
106 Other Current Assets (Disclose on Schedule A)	\$4,255
107 Total Current Assets	<u>\$22,438,893</u>

NON-CURRENT ASSETS

108 Land	1,246,191
109 Building	4,379,558
110 Leasehold Improvements	-
111 Furniture and Equipment	1,956,070
112 Vehicles	261,899
113 Total Property and Equipment	<u>\$7,843,718</u>
114 Less: Accumulated Depreciation	<u>2,168,673</u>
115 Net Property and Equipment	<u>\$5,675,045</u>
116 Notes Receivable (net of current portion)	\$0
117 Performance Bond (Disclose on Schedule A)	
118 Long Term Investments	
119 Deposits	
120 Other Noncurrent Assets (Disclose on Schedule A)	-
121 Total Noncurrent Assets	<u>\$5,675,045</u>
122 TOTAL ASSETS	<u><u>\$28,113,938</u></u>

LIABILITIES AND NET ASSETS/EQUITY

CURRENT LIABILITIES

201 Incurred But Not Reported Claims (Disclose on Sch. A)	\$503,027
202 Reported But Unpaid Claims	-
203 Payable to ADHS (Disclose on Schedule A)	\$1,567,868
204 Other Amounts Payable to Providers	4,693,220
205 Trade Accounts Payable	177,507
206 Accrued Salaries and Benefits	547,455
207 Long-term Debt (current portion)	137,737
208 Deferred Revenue (Disclose on Schedule A)	\$116,045
209 Risk Pool Payable	
210 Other Current Liabilities (Disclose on Schedule A)	<u>\$109,672</u>
211 Total Current Liabilities	<u>\$7,852,531</u>

NON-CURRENT LIABILITIES

212 Long-term debt (net of current portion)	1,918,385
213 Loss Contingencies (Disclosed on Schedule A)	\$0
214 Other Noncurrent Liabilities (Disclose on Schedule A)	<u>\$0</u>
215 Total Noncurrent Liabilities	<u>\$1,918,385</u>
216 TOTAL LIABILITIES	<u>\$9,770,916</u>
217 NET ASSETS/EQUITY	
Unrestricted Net Assets	18,343,022
Restricted Net Assets (Disclose on Schedule A)	<u>\$0</u>

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u><u>\$28,113,938</u></u>
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NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: December 31, 2007
Schedule A Disclosures

ASSETS:

Cash

	Unrestricted	18,549,168
	Restricted	
Total Cash		<u><u>\$18,549,168</u></u>

Accounts Receivable

ADHS

	Program ID	Category ID	
Current Year			
	NTXIX/XXI Child		(30,788)
	NTXIX/XXI Child	CMHS-Coaching&Training	44,988
	NTXIX/XXI SMI		1,763,134
	Mental Health		(2,204)
	Substance Abuse		344,351
	Prevention Intervention		42,059
	ADHS DOC	COOL	0
	TXIX Child	MMWIA	6,380
Prior Year			

Non-ADHS &/or Unrelated Business

Current Year		
	Billings to SAA	33,609
	Miscellaneous receivables	232,810
Prior Year		

Allowance for Doubtful Accounts

Total Accounts Receivable	<u><u>\$2,434,339</u></u>
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Other Current Assets (Detail of Line 106)

ST. Comp Deposit	\$4,255
Total Other Current Assets	\$4,255

Other Noncurrent Assets (Detail of Line 120)

Total Other Noncurrent Assets	<u><u>-</u></u>
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PERFORMANCE BOND:

Met with a surety bond purchased from Fidelity and Deposit Company of Maryland in the amount of \$1,000,000 and an irrevocable letter of credit from Compass Bank in the amount of \$8,320,999

Adjustments:

Payables to ADHS - Other* Category

Disclose items recorded as "Other" in the category for Payable to ADHS Section

Explain ≥10% fluctuation in account from prior period

Increase in Cash & Decrease in Acct. Receivable is due to receipt from ADHS for the increased cap rate for 5 mos.
 Increase on line 109 Building is due to adding Construction in Progress for the modular buildings for the Stabilization Projects.
 Increase in other Amounts Payable to Providers is due to timing of payments.
 Decrease in Accounts Payable due to timing of payments at month end.

LIABILITIES:

IBNR Claims Estimate

Current Year	
FY 08	\$410,000
Prior Year(s)	
FY 07	93,027

Total IBNR	<u><u>\$503,027</u></u>
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Payable to ADHS (Detail of Line 203)

	Program ID	Category ID	
Current Year			
Prior Year			
	NTXIX/XXI SMI	Other*	\$462
	TXIX Child	Withhold	\$363,435
	TXIX CMDP	Withhold	\$365,763
	TXIX DD Child	Withhold	\$71,697
	TXIX SMI	Withhold	\$766,511
Total Payable to ADHS			<u><u>\$1,567,868</u></u>

Deferred Revenue from: (Detail of Line 208)

	Program ID	Category ID	
ADHS			
Current Year			\$0
Prior Year			
	HB2003 Child	Coaching & Training	\$15,396
	NTXIX/XXI Child	Flex funds	78,906
	Substance Abuse	Flex Funds	21,743

Non-ADHS &/or Unrelated Business

Current Year	
Other	
Prior Year	

Total Deferred Revenue	<u><u>\$116,045</u></u>
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Other Current Liabilities (Detail of Line 210)

Reserve for Dental & FSA claims	\$65,345
Payable to BHIP	44,327
Total Other Current Liabilities	\$109,672

Loss Contingencies (Detail of Line 213)

	Identify Loss Contingencies	
Total Loss Contingencies	<u> </u>	\$0

Other Noncurrent Liabilities (Detail of Line 214)

Identify Other Noncurrent Liabilities	
Total Other Noncurrent Liabilities	\$0

Restricted Net Assets (Detail of Line 217)

Identify Restricted Net Assets	
Total Restricted Net Assets	\$0

*other Category - SMI Housing

NARBHA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : December 31, 2007

		Net Assets /	
		Retained	
Initial Capital	Additional Capital	Earnings	Total
Beginning Balance:	July 1, 2007	16,479,618	16,479,618
* Net Surplus / Net Earning for the period ended:	December 31, 2007	1,863,404	1,863,404
Dividends Declared			-
** Prior Period Adjustments			-
Ending Balance:	December 31, 2007		-
		\$ -	\$ -
		\$ 18,343,022	\$ 18,343,022

* Net of dividends declared

** Disclosure of Prior Period Adjustments

NARBHA
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:

December 31, 2007

*DISCLOSE ON SCHEDULE A

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																								
601	Salaries	443,608	248,164	60,031	34,776	27,219	0	668,200	40,262	170,611	3,163	778	2,598	451,760	2,964	4,238	112,628	28,369	0	15,219	0	2,314,588	0	2,314,588
602	Employee Benefits	125,123	70,627	15,723	9,759	7,674	0	190,790	11,070	48,720	886	221	711	127,751	854	1,195	32,796	7,920	0	4,528	0	656,348	0	656,348
603	Professional & Outside Services	22,687	13,008	2,035	5,846	1,384	0	36,802	2,023	9,485	204	35	157	23,909	176	210	7,594	1,162	0	334	0	127,051	0	127,051
604	Travel	10,860	5,792	1,561	1,341	653	0	16,087	961	4,153	77	17	68	11,036	69	106	4,175	1,139	0	881	0	58,976	0	58,976
605	Occupancy	28,963	16,615	2,604	1,972	1,765	0	46,798	2,570	12,069	254	45	199	30,399	226	266	5,762	1,264	0	429	0	152,200	0	152,200
606	Depreciation	29,392	16,848	2,650	2,267	1,785	0	48,130	2,628	12,260	246	45	201	31,349	233	271	5,871	1,275	0	433	0	155,884	0	155,884
607	All Other Operating*	69,796	39,917	6,634	5,442	4,227	0	112,473	6,388	28,889	585	114	474	73,296	530	659	27,737	4,122	0	1,545	701	383,529	0	383,529
608	Subtotal ADHS Administrative Expenses	730,429	410,971	91,238	61,403	44,707	0	1,119,280	65,902	286,187	5,415	1,255	4,408	749,500	5,052	6,945	196,563	45,251	0	23,369	701	3,848,576	0	3,848,576
650	Non ADHS Administrative Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,076	1,076	85,325	86,401
651	Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	274,911	274,911
652	Subtotal Administrative Expense	730,429	410,971	91,238	61,403	44,707	0	1,119,280	65,902	286,187	5,415	1,255	4,408	749,500	5,052	6,945	196,563	45,251	0	23,369	1,777	3,849,652	360,236	4,209,888
701	Unrelated Business Expenses*															0	0	0				0	0	0
790	Income Tax Provisions																							
a	ADHS Income Tax Provision																					0		0
b	Non ADHS Income Tax Provision																					0		0
799	Subtotal Income Tax Provision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
800	TOTAL EXPENSES	11,152,273	6,396,556	1,024,981	781,446	674,022	1,820	18,142,027	989,532	4,691,422	93,172	16,902	78,066	11,708,549	88,554	159,198	2,218,474	506,266	900	115,048	15,043	58,854,252	360,236	59,214,488
801	INC(DEC) IN NET ASSETS/EQUITY	141,099	72,914	(10,620)	(28,515)	10,298	148	347,226	20,416	123,412	2,634	93	2,305	193,421	2,902	1,239	778,633	(25,685)	0	(24,423)	(675)	1,606,821	256,583	1,863,404

*Disclose on Schedule A

December 31, 2007

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL																								
DISCLOSURE OF OTHER ADHS REVENUE																																															
Itemization of Items Reported In Other Column																																															
Paper Reduction Initiative																																															
																					10,043	\$10,043		\$10,043																							
Total Other - Other Column																																															
																					\$10,043	\$10,043		\$10,043																							
DISCLOSURE OF OTHER GRANTS REPORTED ON LINE 402																																															
Itemization of Items Reported on Line 402																																															
DES/RSA Grant																																															
																					4,325	4,325		4,325																							
Total Other Grants																																															
																					4,325	815,325	0	815,325																							
DISCLOSURE OF OTHER REVENUE REPORTED ON LINE 406																																															
Itemization of Items Reported on Line 406																																															
Sanction fees Assessed SAA																																															
																					0	0	21,050	21,050																							
Greater Ariz Telemed Consortium																																															
																					0	0	14,475	14,475																							
Miscellaneous																																															
																					0	0	6,189	6,189																							
Total Other Revenue																																															
																					0	0	41,714	41,714																							
UNRELATED BUSINESS ACTIVITIES REPORTED ON LINE 407																																															
Itemization of Items Reported on Line 407																																															
Provider Support																																															
																					0	220,911	220,911																								
Total Unrelated Business Activities:																																															
																					0	0	0	0																							
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES ON LINE 511																																															
SMI Homeless																																															
																					55,285	55,285		55,285																							
Substance Abuse - Rural Detox (Page and Flagstaff)																																															
																					258,049	96,014	354,063	354,063																							
Substance Abuse - Rural Detox/Stabilization (Holbrook & Winslow)																																															
																					2,000	2,000		2,000																							
PASRR																																															
																					2,000	900	900	900																							
Children HB 2003 Training and Coaching																																															
																					1,820	1,820		1,820																							
Suicide Prevention																																															
																					55,250	55,250		55,250																							
CMHS/CA-SIG																																															
																					120,010	120,010		120,010																							
COOL Liaison																																															
																					29,531	29,531		29,531																							
Paper Reduction Initiative																																															
																					9,342	9,342		9,342																							
Meet Me Where I Am Workshops																																															
																					6,380	6,380		6,380																							
Video-conferencing svcs allocated to programs																																															
																					58,127	58,127		58,127																							
Total All Other Behavioral Health Services																																															
																					692,708	692,708	0	692,708																							
DISCLOSURE OF SERVICES EXPENSES FROM NON ADHS SOURCES ON LINE 520																																															
Itemization of Items Reported on Line 520																																															
DES/RSA Grants																																															
																					3,924	3,924	0	3,924																							
Total Service Expenses Non-ADHS Sources																																															
																					3,924	3,924	0	3,924																							
DISCLOSURE OF ALL OTHER OPERATING ON LINE 607																																															
Itemization of Items Reported on Line 607																																															
Supplies, computer/tele-med maint, printing																																															
																					69,796	39,917	6,634	5,442	4,227	0	112,473	6,388	28,889	585	114	474	73,296	530	659	15,737	4,122	0	1,545	0	370,828	0	370,828				
phone, recruiting, insurance, surety bond, etc																																															
																					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,000	0	0	0	12,000	0	12,000
Sanctions assessed by ADHS																																															
																					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	701	701	0	701	0	701	
Expenses for Paper Reduction Initiative																																															
																					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Qualifying Incentive Payments Passed to Providers																																															
																					69,796	39,917	6,634	5,442	4,227	0	112,473	6,388	28,889	585	114	474	73,296	530	659	27,737	4,122	0	1,545	701	383,529	0	383,529				
DISCLOSURE OF NON-ADHS ADMINISTRATIVE EXPENSES ON LINE 650																																															
Itemization of Items Reported on Line 650																																															
Interest																																															
																					0	73,928	73,928																								
Other Telemed expenses																																															
																					0	11,397	11,397																								
DES/RSA Grants																																															
																					1,076	1,076	0	1,076																							
Total Non-ADHS Admin. Expense																																															
																					1,076	1,076	85,325	86,401																							
DISCLOSURE OF UNRELATED ADMINISTRATIVE EXPENSES ON LINE 651																																															
Itemization of Items Reported on Line 651																																															
Provider Support																																															
																					0	274,911	274,911																								
Total Unrelated Administrative Expenses																																															
																					0	0	0	0																							
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701																																															
Itemization of Items Reported on Line 701																																															
																					0	0	0	0																							
Total Unrelated Business Expenses																																															
																					0	0	0	0																							

**NARBHA
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:
Schedule A Disclosure**

December 31, 2007

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
ADJUSTMENTS (Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)																							
Disclosures: 1. There is a timing difference in Provider Support so there is a temporary loss being reported. The audit fees are recognized as a provider support expense when paid but the revenue for provider support is recognized for 6 months on an annualized amount. 2. Line 402 under Substance Abuse - the \$811,000 refers to the Rural Detox monies used for infrastructure (buildings for the Stabilization Projects in Holbrook and Winslow) that had been billed to ADHS on CERs. 3. The expenses for the modular buildings for the Stabilization Projects in Holbrook and Winslow were reclassified to Construction in Progress (increased an asset account included on line 109 Building). Once the buildings are placed in use they will be depreciated over the life of the buildings and expensed through depreciation.																							
Analysis: (Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)																							

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

December 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in Net Assets	1,863,404
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	178,214
Changes in Operating Assets and Liabilities	
(Increases)/Decreases in Assets:	
Current Investments	
Receivables	240,646
Inventory & Prepaid Expenses	96,889
Interest Receivable	
Deposits	-
Other	-
Increases/(Decreases) in Liabilities:	
IBNR	64,027
RBUC	
Accounts Payable to ADHS	-
Accounts Payable to Providers	2,579,734
Interest Payable	-
Trade Accounts Payable	(219,736)
Accrued Salaries & Benefits	40,219
Unearned Revenue	(1,968)
Other Current Liabilities	(91,807)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	4,749,622
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of Property & Equipment	(3,270)
Purchases of Property & Equipment	(1,301,618)
Proceeds from Sales of Investments	-
Purchase of Investments	-

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(1,304,888)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Acquisition of Debt (Describe on Schedule A)	29,825
Payment of Lease Obligations	(5,006)
Payment of Other Debts (Describe on Schedule A)	(65,060)

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(40,241)
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NET INCREASE/(DECREASE) IN CASH	3,404,493
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BEGINNING CASH	\$15,144,675
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ENDING CASH BALANCE *	18,549,168
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***NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

December 31, 2007

Schedule A Disclosure**Describe:**

1. Sources and amounts of cash received for other grants.

DES/RSA Grant	\$	3,924
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2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

Obtained two copiers under capital leases	\$	29,824
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3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Xerox - payments of leases	\$	5,006
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Compass Bank - payment of mortgage	\$	65,060
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5. Supplemental data or non-cash investing and financing activities, gifts, etc.

6. Detail of Depreciation:

Depreciation expense	178,653
Gain on the Sale of Property	<u>(439)</u>
Net	<u><u>178,214</u></u>

Since the Gain is an "adjustment to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities" it is netted with Depreciation since a line cannot be added to the Statement of Cash Flows.